

MEETING MINUTES

Finance Committee

November 12, 2008

CALL TO ORDER

Time – 7:00 P.M.

Members in attendance: Chairman Joanne F. Marden, Tim Felter, Mary O'Donoghue, S. Jon Stumpf, Cindy Milne, Richard T. Howe, Mark Merritt, Paul Fortier and Stephen Stapinski. Also present: Finance Director Anthony Torrisi.

MEETING MINUTES

The minutes of October 15, 2008 were moved and seconded for approval as written. The motion passed unanimously. 7-0

Mr. Felter joined the meeting at 7:10.

Mr. Stapinski joined the meeting at 7:15.

COMMUNICATIONS

Chairman Marden distributed Finance Committee Handbook disks to Committee members. Each member also received four Standard & Poor public finance reports that Ms. Marden brought back from the Association of Town Finance Committees annual meeting held on November 1st.

FINANCE COMMITTEE WEBSITE PROPOSAL

Mark Merritt distributed a memo with the subject line "FinCom website implementation options" for committee review. The memo outlined two options recommended by Mr. Merritt after previous discussions with the Assistant Town Manager Steve Bucuzzo and Town Moderator Sheila Doherty. Following lengthy discussion the Committee moved and seconded to recommend approval of splitting up the currently integrated Moderator and Finance Committee pages on the Town's website. Additionally, to store Finance Committee information using the same hosting account as the remainder of the Town website with the understanding that at a later date, the Committee may decide to use a separate hosting account. The motion passed unanimously 9-0. Mr. Merritt requested continued discussion regarding the process of maintaining the website at the next Finance Committee meeting.

CAPITAL IMPROVEMENT PROGRAM

Committee members entered into a lengthy discussion regarding FY2010 revenue and expenditure projections. Mr. Torrisi informed Committee members that he had updated the assumptions as outlined on page 118 in the FY2010-FY2014 CIP book. He was asked if the General Local Revenues numbers were realistic. Mr. Torrisi replied that he would have a better idea in a couple of months. Also noted, that certified New Growth numbers were down from last year. What impact abatements could have on levy limits was also discussed. Concern over level funding State Aid was raised. A continued decrease of free cash for support of operating budgets was discussed. Committee members were reminded that the Town is still spending more than taking in. However, Mr. Torrisi added he didn't think Moody's would drop the bond rating.

There was a discussion on debt management referring to pages 78 and 79. Mr. Torrisi told Committee members that Debt Service depends on borrowing in the spring. He also noted that there is a significant amount of authorized new debt not yet borrowed. Mr. Torrisi was questioned about the 10% increase in Health Insurance. He replied that he thought that number was reasonable. He added the current deficit in FY09 Health Insurance is between \$500,000 and \$600,000 due to new employees and new subscribers. Discussion followed.

It was noted that there is a \$10M gap with respect to what the Town Manager is recommending and what departments are requesting. Lengthy discussion followed regarding a list of projects on page 4 of the FY2010-FY2014 CIP book.

The option of creating a special purpose stabilization fund to be funded by an override so that reserve levels would be in place for projects was brought forth for discussion. Committee members expressed concern over it not being the right time to propose a plan that would involve tax increases.

BUDGET PROCESS – DECEMBER 1ST TRIBOARD MEETING

Ms. Marden asked Committee members for their input relative to any questions and/or concerns they would like to bring before the Board of Selectmen at the December 1st Tri Board Meeting. Concern was expressed over submitting level funded budgets adding that if not enough revenue is available, it then seems as though budget cuts are necessary. Some Committee members thought that residents would be looking for cost cutting initiatives and that a better approach might be to communicate what the Town is doing to bring down costs as well as to live within the revenues now and into the future. It was noted that service and FTE cuts should also be considered. Discussion followed.

NEXT MEETING

Tri Board Meeting
Monday, December 1, 2008
3rd Floor Selectmen's Conference Room

Finance Committee
Wednesday, December 10, 2008
2nd Floor Conference Room
7:00 P.M.

ADJOURNMENT – 9:40 P.M.

Respectfully Submitted,
Carolyn Lynch
Recording Secretary